

## 1.0 INTRODUCTION

On October 2, 1998, JRCC<sup>1</sup> filed an application with the BLM for federal coal reserves located north of and adjacent to the Jacobs Ranch Mine in Campbell County, Wyoming. The application area is located in southern Campbell County, Wyoming, approximately 7 miles east of Wright, Wyoming (Figure 1-1). The federal coal reserves were applied for as a maintenance tract for the Jacobs Ranch Mine under the regulations at 43 CFR 3425, Leasing On Application. The Jacobs Ranch Mine is operated by JRCC, a subsidiary of the Kennecott Energy Company.

JRCC's coal lease application, which was assigned case file number WYW146744, was reviewed by the BLM Wyoming State Office Division of Mineral and Lands Authorization. They determined that it met the regulatory requirements for a lease by application or LBA. The tract is referred to as the North Jacobs Ranch LBA Tract.

The North Jacobs Ranch LBA Tract is located within the Powder River Federal Coal Region, which was decertified in January 1990. Although the Powder River Federal Coal Region is decertified, the PRRCT, a federal/state advisory board established to develop recommendations concerning management of federal coal in the region, has continued to

meet regularly and review all federal lease applications in the region. The PRRCT reviewed this lease application at public meetings held on February 23, 1999, in Billings, Montana, October 27, 1999, in Gillette, Wyoming, and October 25, 2000, in Cheyenne, Wyoming. At the most recent meeting, the PRRCT recommended that the BLM continue to process the lease application.

In order to process an LBA, the BLM must evaluate the quantity, quality, maximum economic recovery, and fair market value of the federal coal and fulfill the requirements of NEPA by evaluating the environmental impacts of leasing the federal coal. BLM does not authorize mining by issuing a lease for federal coal, but the impacts of mining the coal are considered in this EIS because it is a logical consequence of issuing a lease. This EIS has been prepared to evaluate the site-specific and cumulative environmental impacts of leasing and developing the federal coal included in the application area. Scoping for the North Jacobs Ranch lease application was initially conducted from October 1 to October 30, 1999. Additional scoping comments were requested in the Notice of Intent to Prepare an EIS, published in the Federal Register on January 19, 2000. A public scoping meeting was held in Gillette, Wyoming on October 19, 1999. BLM will use the analysis in this EIS to decide whether or not to hold a public, competitive, sealed-bid coal lease sale for the coal tract and issue a federal coal lease. If the sale is held, the bidding at the sale is open

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<sup>1</sup> Refer to page viii for a list of abbreviations and acronyms used in this document.

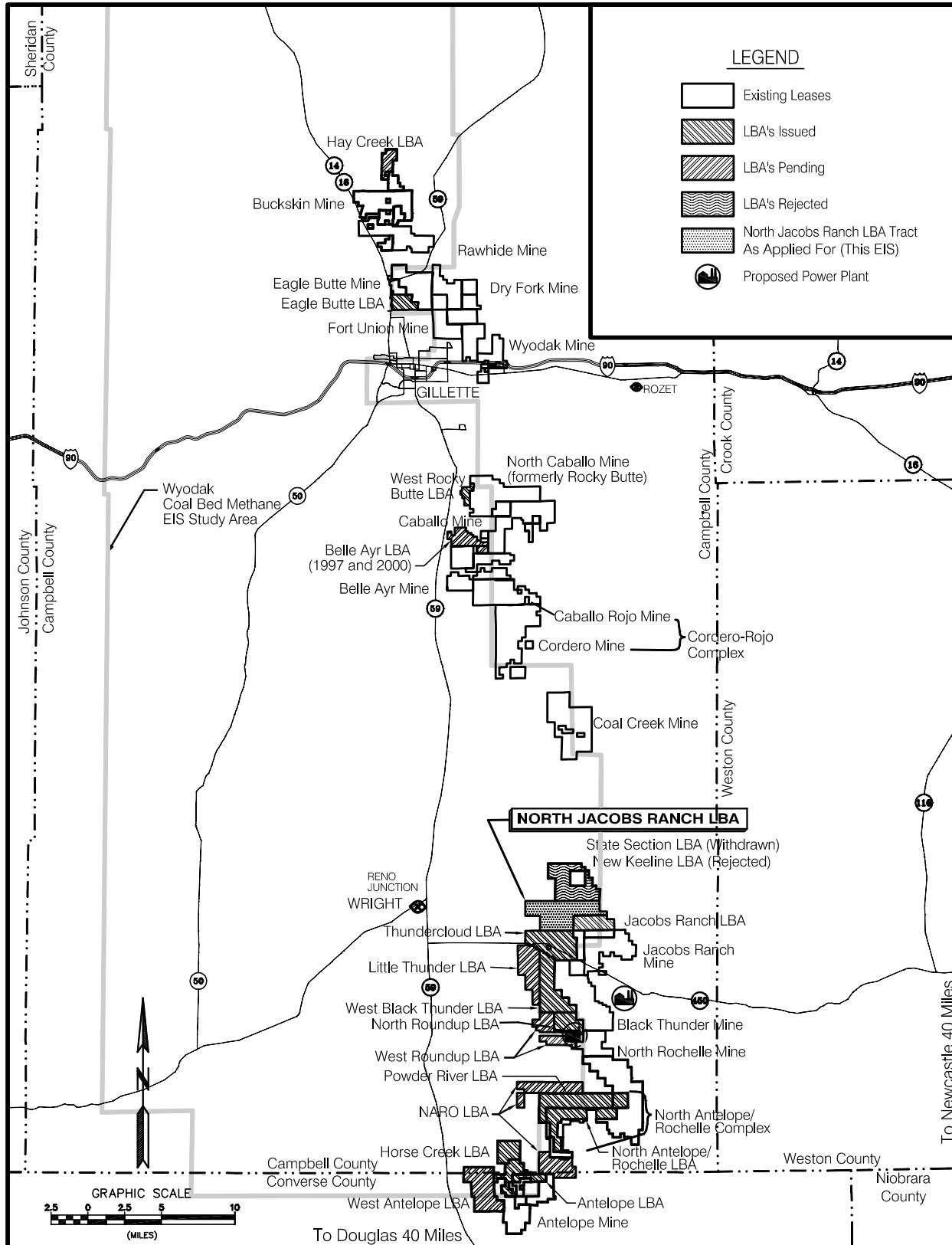


Figure 1-1. General Location Map with Federal Coal Leases and LBA's.

to any qualified bidder; it is not limited to the applicant. If the lease sale is held, a lease will be issued to the highest bidder at the sale if a federal sale panel determines that the high bid meets or exceeds the fair market value of the coal as determined by BLM's economic evaluation and if the U.S. Department of Justice determines that there would be no antitrust violations if a lease is issued to the high bidder.

Since decertification of the Powder River Federal Coal Region, ten federal coal leases have been sold at competitive sealed-bid sales and one federal coal lease has been exchanged in the Wyoming portion of the Powder River Federal Coal Region (Table 1-1). One of these new federal coal leases was issued to Jacobs Ranch Mine after they submitted the successful bid for a maintenance tract also adjacent to the Jacobs Ranch Mine on October 1, 1992 (Figure 1-1 and Table 1-1). As shown in Table 1-2, eight additional applications, including the North Jacobs Ranch application, are currently pending. The North Jacobs Ranch LBA Tract was previously applied for by Evergreen Enterprises as part of the New Keeline LBA. The New Keeline LBA was rejected by the BLM in 1997. Evergreen Enterprises appealed the rejection of the New Keeline LBA to the IBLA in 1997 and submitted a new application, which covered the same area, in January 2000 (State Section LBA). Evergreen Enterprises withdrew their appeal of the New Keeline LBA rejection and their application for the State Section LBA in September 2000.

Other agencies may use this analysis to make decisions related to leasing and mining the federal coal in this tract. OSM, the federal agency responsible for regulating surface coal mining operations, is a cooperating agency on this EIS. OSM will use this EIS to make decisions related to the approval of the MLA mining plan for this tract, if a lease is issued.

The North Jacobs Ranch LBA Tract as applied for and the existing federal coal leases in the adjacent Jacobs Ranch Mine are shown in Figure 1-2. As applied for, the North Jacobs Ranch LBA Tract includes approximately 4,821.19 acres and an estimated 533 million tons of in-place coal reserves. JRCC estimates that approximately 479.7 million tons of coal will be produced from the North Jacobs Ranch LBA Tract as applied for, assuming a recovery factor of 90 percent.

The North Jacobs Ranch LBA Tract is contiguous with both the Jacobs Ranch Mine and the Black Thunder Mine, owned by Ark Land Company, a subsidiary of Arch Coal, Inc. (Figure 1-1). The area applied for is substantially similar to the adjacent mines for which detailed site-specific environmental data have been collected and for which environmental analyses have previously been prepared to secure the existing leases and the necessary mining permits.

The surface of the North Jacobs Ranch LBA Tract is owned by Jacobs Land and Livestock Company and Ark Land Company. Current land uses of the tract include grazing by

Table 1-1. Leases Sold Since Decertification, Powder River Basin, Wyoming.

LBA/Exchange Name Lease # Applicant or Applicant Mine	Application Date Effective Date	Acres <sup>1</sup>	Mineable Tons of Coal <sup>1</sup>	Successful Bid	Successful Bidder (Mine)
Jacobs Ranch LBA WYW117924 Jacobs Ranch Mine	10/10/89 10/1/92	1,708.620	147,423,560	\$20,114,930.00	Jacobs Ranch Mine
West Black Thunder LBA WYW118907 Black Thunder Mine	12/22/89 10/1/92	3,492.495	429,048,216	\$71,909,282.69	Black Thunder Mine
N. Antelope/Rochelle LBA WYW119554 N. Antelope/Rochelle Mine	3/2/90 10/1/92	3,064.040	403,500,000	\$86,987,765.00	North Antelope/ Rochelle Mine
West Rocky Butte LBA WYW122586 No Existing Mine <sup>2</sup>	12/4/90 1/1/93	463.205	56,700,000	\$16,500,000.00	Rocky Butte Mine
Eagle Butte LBA WYW124783 Eagle Butte Mine	8/1/95 7/25/98	1,059.175	166,400,000	\$18,470,400.00	Eagle Butte Mine
Antelope LBA WYW128322 Antelope Mine	1/29/92 2/1/97	617.20	60,364,000	\$9,054,600.00	Antelope Mine
North Rochelle LBA WYW127221 North Rochelle Mine	7/22/92 1/1/98	1,481.930	157,610,000	\$30,576,340.00	North Rochelle Mine
Powder River LBA WYW136142 N. Antelope/Rochelle Mine	3/23/95 9/1/98	4,224.225	532,000,000	\$109,596,500.00	North Antelope/ Rochelle Mine
Thundercloud LBA WYW136458 Jacobs Ranch Mine	4/14/95 1/1/99	3,545.503	412,000,000	\$158,000,008.50	Black Thunder Mine
EOG (Belco) I-90 Lease Exchange WYW150152 EOG (formerly Belco)	Issued pursuant to Public Law 95-554, lease effective 4/1/00	599.17	106,000,000	Exchanged for rights to Belco I-90 Lease (WYW0322794)	EOG (Belco)
Horse Creek LBA WYW141435	2/14/97	2,818.695	275,577,000	\$91,220,120.70	Antelope Coal Co.
<b>TOTALS</b>		<b>23,074.26</b>	<b>2,746,622,776</b>	<b>\$612,429,946.89</b>	

<sup>1</sup>Information from Sale Notice<sup>2</sup>The West Rocky Butte Lease is now owned by the Caballo Mine

Table 1-2. Pending LBA's, Powder River Basin, Wyoming.

PENDING LBA's <sup>3</sup>				
<b>LBA Lease# Applicant Mine</b>	<b>Application Date</b>	<b>Acres</b>	<b>Estimated Tons of Coal<sup>1</sup></b>	<b>Status</b>
Belle Ayr LBA 2000 WYW141568 Belle Ayr	7/28/00	243.61	29 mm	PRRCT reviewed on 10/25/00
N. Jacobs Ranch LBA WYW146744 Jacobs Ranch	10/2/98	4,821.19	533 mm	PRRCT Reviewed on 2/23/99, 10/27/99 & 10/25/00
NARO North (WYW150210) North Antelope/ Rochelle	3/10/00	2,368.3	323 mm	PRRCT reviewed on 10/25/00
NARO South (WYW150210) North Antelope/ Rochelle	3/10/00	2,132.7	241 mm	PRRCT reviewed on 10/25/00
Little Thunder (WYW150318) Black Thunder	3/23/00	2,709.5	383.6 mm	PRRCT reviewed on 10/25/00
West Roundup (WYW151134) North Rochelle	7/28/00	1,868.12	173.2 mm	PRRCT reviewed on 10/25/00
Hay Creek (WYW151634) Buckskin	8/31/00	1,015.51	135 mm	PRRCT reviewed on 10/25/00
West Antelope (WYW151643) Antelope	9/12/00	3,500.84	292.5 mm	PRRCT reviewed on 10/25/00
Belle Ayr 1997 (WYW151568) Belle Ayr	3/20/97	1,335.39	171 mm	PRRCT reviewed 4/23/97, 10/27/99, & 10/25/00
<b>TOTAL PENDING</b>		<b>19,995.16</b>	<b>2,281.3 mm</b>	

<sup>1</sup> Estimated tons of coal as reported in the lease application.

<sup>2</sup> The State Section Tract includes all of the New Keeline Tract (WYW138975) which was applied for in 1996 and rejected in 1997. The rejection was under appeal to the IBLA, although the applicant withdrew their appeal and their application for the State Section LBA in September 2000.

<sup>3</sup> P&M Coal Company has proposed an exchange of private surface for federal coal. The acres and tons of coal offered will be determined by fair market value analysis. This exchange proposal was presented to the PRRCT at the October 27, 1999 meeting.

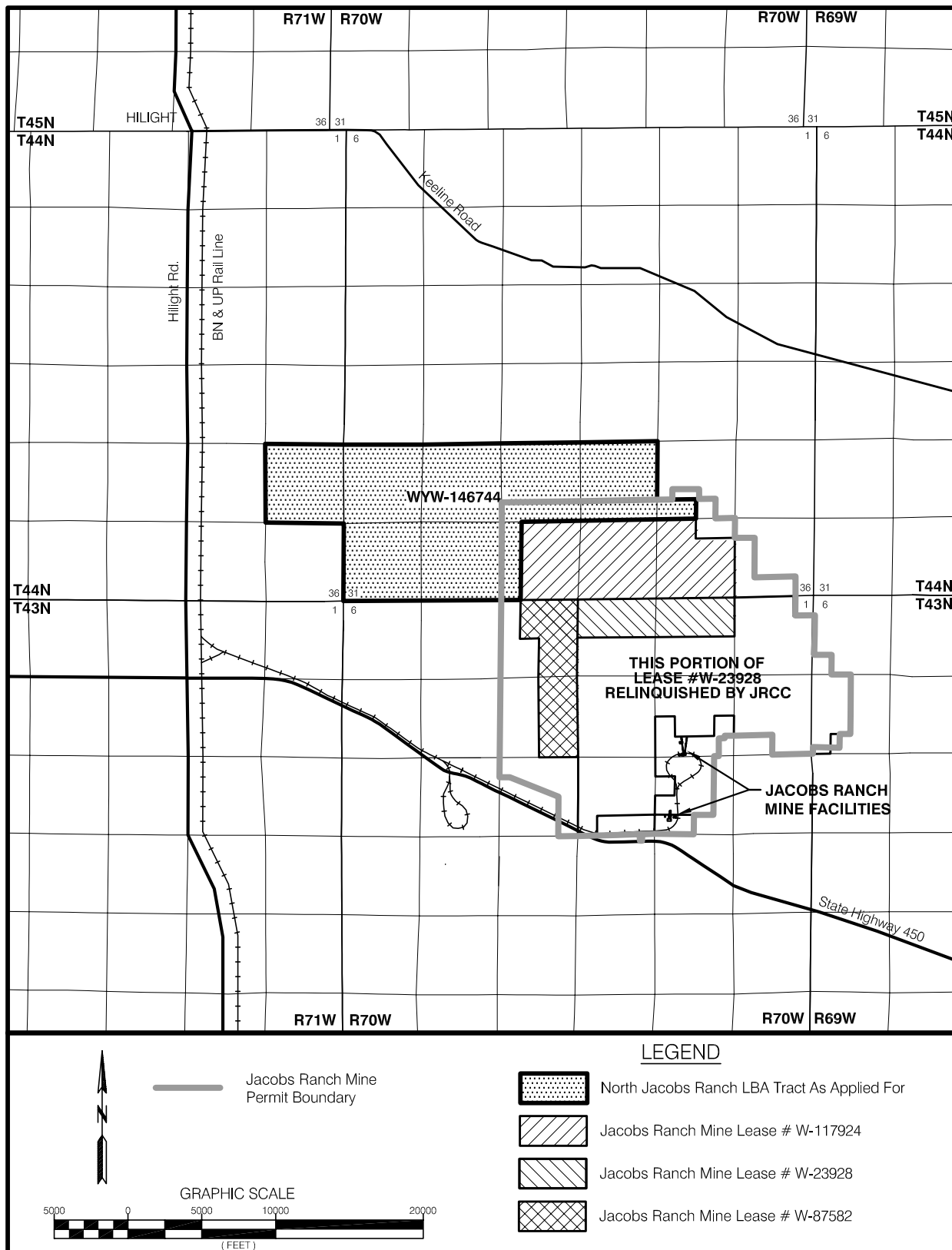


Figure 1-2. Jacobs Ranch Mine Federal Coal Leases and the North Jacobs Ranch LBA Tract As Applied For.

domestic animals and wildlife and oil and gas production.

If JRCC acquires a federal coal lease for these lands, the North Jacobs Ranch LBA Tract coal resources would be mined as a maintenance tract to extend mine life at the Jacobs Ranch Mine. The mining method would be truck and shovel, which is the mining method currently in use at the Jacobs Ranch Mine. The coal would be used primarily for electric power generation.

After mining, the land would be reclaimed for livestock grazing and wildlife use as is the current practice at the Jacobs Ranch Mine.

### **1.1 Purpose and Need for Action**

BLM administers the federal coal leasing program under the Mineral Leasing Act of 1920. A federal coal lease grants the lessee the exclusive right to obtain a mining permit for, and to mine coal on, the leased tract subject to the terms of the lease, the mining permit, and applicable state and federal laws. Before a new lease can be mined, the lessee must obtain approval of a detailed mining and reclamation plan.

In return for receiving a lease, a lessee must pay the federal government a bonus equal to the amount it bid at the time the lease sale was held (the bonus can be paid in five yearly installments), make annual rental payments to the federal government, and make royalty payments to the federal government when the coal is mined. Federal

bonus, rental and royalty payments are equally divided with the state in which the lease is located.

The Jacobs Ranch Mine, as currently permitted, includes 9,283.78 acres and originally contained approximately 614.7 million tons of mineable coal. As of January 1, 2001, JRCC had an estimated 190.8 million tons of in-place coal reserves remaining at the mine, and the company estimates that approximately 172 million tons of those remaining reserves are recoverable. JRCC's currently approved (by WDEQ/AQD) air quality permit allows up to 38 million tons of coal per year to be mined through year 2001, and 50 mmtpy in 2002 through 2004. The mine produced approximately 29.1 million tons of coal in 1999, and 28.3 million tons of coal in 2000. JRCC estimates that, under their current mine plan, the existing recoverable reserves at the Jacobs Ranch Mine will be depleted within approximately 7 years at an average production rate of 24.5 mmtpy. The company has applied for the coal reserves in the North Jacobs Ranch LBA Tract to extend the life of the Jacobs Ranch Mine. According to the most recent information from JRCC, they would plan to produce approximately 21 mmtpy from the North Jacobs Ranch LBA Tract, which would extend the life of the mine by 23 years. If the LBA tract is leased to JRCC as a maintenance tract, the permit area for the adjacent mine would have to be amended to include the new lease area before it could be disturbed. This process takes several years to complete.

JRCC is applying for federal coal reserves now so that they can negotiate new contracts and then complete the permitting process in time to meet anticipated new contract requirements.

This EIS analyzes the environmental impacts of issuing a federal coal lease and mining the federal coal in the North Jacobs Ranch lease application as required by NEPA and associated rules and guidelines. The decision to hold a competitive sale and issue a lease for the lands in this application is a prerequisite for mining the North Jacobs Ranch LBA Tract but is not in itself the enabling action that will allow mining, as discussed above. The most detailed analysis occurs after a lease has been issued but prior to mine development, when the lessee files a permit application package with the WDEQ/LQD and OSM for a surface mining permit and approval of the MLA mining plan. Authorities and responsibilities of the BLM and other concerned regulatory agencies are described in the following sections.

### 1.2 Regulatory Authority and Responsibility

The JRCC coal lease application was submitted and will be processed and evaluated under the following authorities:

- MLA, as amended;
- the Multiple-Use Sustained Yield Act of 1960;
- NEPA;
- FCLAA;
- FLPMA; and

- SMCRA.

The BLM is the lead agency responsible for leasing federal coal lands under the MLA as amended by FCLAA and is also responsible for preparation of this EIS to evaluate the potential environmental impacts of issuing a coal lease. For the North Jacobs Ranch application, the BLM must decide whether to hold a competitive, sealed-bid lease sale for the tract as applied for, hold a competitive sealed bid lease sale for a modified tract, or reject the current lease application and not offer the tract for sale at this time.

The majority of the North Jacobs Ranch LBA Tract is included in the area covered by the BLM *Buffalo Resource Management Plan*, but sections 26 and 27, T. 44 N., R. 70 W. were included in the analysis for the area covered by the *Medicine Bow National Forest and Thunder Basin National Grassland Land and Resource Management Plan* (USFS, 1985). There are no federal surface lands managed by the USFS included in the North Jacobs Ranch LBA Tract. As a result, the USFS is not a cooperating agency on this EIS and USFS consent will not be required if a lease sale is held.

OSM is a cooperating agency on this EIS. After a coal lease is issued, SMCRA gives OSM primary responsibility to administer programs that regulate surface coal mining operations and the surface effects of underground coal mining operations. Pursuant to Section 503 of SMCRA, the WDEQ developed, and in



November 1980 the Secretary of the Interior approved, a permanent program authorizing WDEQ to regulate surface coal mining operations and surface effects of underground mining on nonfederal lands within the state of Wyoming. In January 1987, pursuant to Section 523(c) of SMCRA, WDEQ entered into a cooperative agreement with the Secretary of the Interior authorizing WDEQ to regulate surface coal mining operations and surface effects of underground mining on federal lands within the state.

Pursuant to the cooperative agreement, a federal coal lease holder in Wyoming must submit a permit application package to OSM and WDEQ/LQD for any proposed coal mining and reclamation operations on federal lands in the state. WDEQ/LQD reviews the permit application package to insure the permit application complies with the permitting requirements and the coal mining operation will meet the performance standards of the approved Wyoming program. OSM, BLM, and other federal agencies review the permit application package to insure it complies with the terms of the coal lease, the MLA, NEPA, and other federal laws and their attendant regulations. If the permit application package does comply, WDEQ issues the applicant a permit to conduct coal mining operations. OSM recommends approval, approval with conditions, or disapproval of the MLA mining plan to the Assistant Secretary of the Interior, Land and Minerals Management. Before the MLA mining plan can be approved,

the BLM must concur with this recommendation.

If the proposed LBA tract is leased to an existing mine, the lessee would be required to revise their coal mining permit prior to mining the coal, following the processes outlined above. As a part of that process, a new mining and reclamation plan would be developed showing how the lands in the LBA tract would be mined and reclaimed. The revised permit area would be larger than the revised lease area in order to allow for disturbances outside the actual coal removal areas for such purposes as matching to undisturbed topography, constructing flood control and sediment control facilities, and related activities. Specific impacts which would occur during the mining and reclamation of the LBA tract would be addressed in the mining and reclamation plans, and specific mitigation measures for anticipated impacts would be described in detail at that time.

WDEQ enforces the performance standards and permit requirements for reclamation during a mine's operation and has primary authority in environmental emergencies. OSM retains oversight responsibility for this enforcement. BLM has authority in those emergency situations where WDEQ or OSM cannot act before environmental harm and damage occurs.

BLM also has the responsibility to consult with and obtain the comments of other state or federal agencies which have jurisdiction by

law or special expertise with respect to potential environmental impacts. Appendix A presents other federal and state permitting requirements that must be satisfied to mine this LBA tract.

### 1.3 Relationship to BLM Policies, Plans, and Programs

In addition to the federal acts listed under Section 1.2, guidance and regulations for managing and administering public lands, including the federal coal lands in the JRCC application, are set forth in 40 CFR 1500 (Protection of Environment), 43 CFR 1601 (Planning, Programming, Budgeting), and 43 CFR 3400 (Coal Management).

Specific guidance for processing applications follow BLM Manual 3420 (Competitive Coal Leasing, BLM 1989) and the 1991 *Powder River Regional Coal Team Operational Guidelines For Coal Lease-By-Applications* (BLM 1991). The *National Environmental Policy Act Handbook* (BLM 1988) has been followed in developing this EIS.

### 1.4 Conformance with Existing Land Use Plans

FCLAA requires that lands considered for leasing be included in a comprehensive land use plan and that leasing decisions be compatible with that plan. The RMP for the BLM Buffalo Resource Area (BLM 1985a) governs and addresses the leasing of federal coal in Campbell County. *The Medicine Bow National Forest and Thunder Basin National Grassland Land and Resource Management Plan*

(LRMP) (USFS 1985) governs and addresses the management of USFS (public) lands in the area. There are no USFS-administered lands on the North Jacobs Ranch LBA Tract, but the area of analysis for the USFS LRMP included the portion of the North Jacobs Ranch LBA Tract in Sections 26 and 27, T. 44 N., R. 70 W.

Coal land use planning involves four planning screens to determine whether the subject coal is acceptable for further lease consideration. The four coal screens are:

- development potential of the coal lands;
- unsuitability criteria application;
- multiple land use decisions that eliminate federal coal deposits; and
- surface owner consultation.

Only those federal coal lands that pass these screens are given further consideration for leasing. These coal screens were applied to federal coal lands in Campbell and Converse Counties in the early 1980s by the BLM and USFS. The results were published in the Buffalo RMP and the Medicine Bow and Thunder Basin National Grassland LRMP in 1985. The majority of North Jacobs Ranch LBA Tract is located in the area covered by the BLM analysis published in the Buffalo RMP in 1985, as mentioned above. In 1993, BLM, USFS, and USFWS began the process of re-applying these screens to federal coal lands in Campbell, Converse and Sheridan Counties.

The results of this analysis can be viewed on the BLM Wyoming website at <http://www.blm.gov> in the NEPA Documents section as an appendix in the Approved Buffalo Field Office RMP document.

A coal tract that is acceptable for further consideration for leasing must be located within areas that have been determined to have coal development potential. The lands in this coal lease application are within the area identified as having coal development potential by the BLM and the USFS in both the 1985 and 1993 coal screening analyses.

The coal mining unsuitability criteria listed in the federal coal management regulations (43 CFR 3461) have been applied to high to moderate coal development potential lands in the BLM resource areas. Appendix B of this EIS summarizes the unsuitability criteria, describes the general findings for the Buffalo RMP and the LRMP and presents a validation of these findings for the North Jacobs Ranch LBA Tract.

As indicated in Appendix B, no lands in the North Jacobs Ranch LBA Tract were found to be unsuitable for mining.

Surface owner consultation was completed during preparation of the 1985 RMP and LRMP, and qualified private surface owners with land over federal coal were provided the opportunity to have their views considered by the BLM and USFS during land use planning. Based on updated surface ownership provided

by JRCC, the surface on the North Jacobs Ranch LBA Tract is owned by the Jacobs Land and Livestock Company (a wholly owned subsidiary of Kennecott Energy Company) and Ark Land Co. (a wholly owned subsidiary of Arch Coal, Inc.). If a lease sale is held, BLM will review the current surface ownership in the tract, and any private surface owners who are determined to be qualified will be consulted prior to the sale.

As part of the coal planning for the LRMP and Buffalo RMP, a multiple land use conflict analysis was completed to identify and "eliminate additional coal deposits from further consideration for leasing to protect resource values of a locally important or unique nature not included in the unsuitability criteria," in accordance with 43 CFR 3420.1-4e(3). The multiple use conflict evaluation in the Buffalo RMP identified approximately 221,000 acres within Campbell, Converse, and Johnson counties that were potentially affected by multiple use conflicts in four categories (producing oil and gas fields, communities, recreation and public purpose facilities, and cultural resources). None of the multiple use conflict areas identified in the Buffalo RMP are included in the North Jacobs Ranch LBA Tract. The LRMP multiple use analysis concluded that: "there are no multiple land use conflicts of such magnitude that would require any of the lands in the review area to be withdrawn from leasing considerations."

When the 1985 multiple use analysis was conducted, potential conflicts

between coal development and oil and gas development were recognized but CBM development was not anticipated. The 1985 BLM RMP addressed coal and oil and gas development conflicts in two planning decisions. Decision MM-4 recommended authorizing oil and gas drilling on coal leases only where drilling would not conflict with coal mining, and Decision MM-5 recommended deferring coal leasing in producing oil and gas fields until coal development would not interfere with economic recovery of the oil and gas resource, as determined on a case by case basis. The conflicts between coal and CBM development were recognized when the 1993 multiple use analysis was prepared, but no changes were recommended to the existing RMP decisions. BLM is currently preparing an EIS which will be used to update the Buffalo RMP with respect to CBM development. In the meantime, BLM has recently identified federal oil and gas leases and corresponding lessees within existing coal leases and coal lease application areas. Those oil and gas lessees are being contacted and encouraged to develop and recover the CBM resources prior to coal mining.

The North Jacobs Ranch LBA Tract is located in a producing oil and gas field. As indicated in Section 1.1 of this EIS, the PRRCT has reviewed the JRCC application to lease the federal coal in the North Jacobs Ranch LBA Tract at three public meetings (February 23, 1999, in Billings, Montana; October 23, 1999, in Gillette, Wyoming; and October 25,

2000, in Cheyenne, Wyoming). The PRRCT heard presentations from the oil and gas lessees and JRCC at each of these meetings regarding deferring leasing the federal coal in this tract until the CBM is recovered. At the most recent meeting, just prior to issuance of the DEIS, the coal team recommended that the BLM continue processing the application. BLM has followed the recommendation of the regional coal team regarding processing of the application for the North Jacobs Ranch LBA Tract.

BLM has approved applications to drill CBM wells on federal leases inside the North Jacobs Ranch LBA Tract so that the oil and gas lessees can start recovering the CBM resources on the tract (see Mineral Resources discussion in Section 3.3). This approach is consistent with BLM's recently issued policy on conflicts between coal and CBM development, which is explained in BLM Instruction Memorandum No. 2000-081. BLM's policy is to optimize the recovery of both resources and ensure that the public receives a reasonable return.

In summary, all of the lands in the JRCC coal lease application have been subjected to the four coal planning screens and determined acceptable for further lease consideration. Thus, a decision to lease the federal coal lands in this application would be in conformance with the BLM Buffalo RMP, and also with the USFS LRMP.

## **1.5 Consultation and Coordination**

### **Initial Involvement**

BLM received the North Jacobs Ranch coal lease application on October 2, 1998. The application was initially reviewed by the BLM, Wyoming State Office, Division of Mineral and Lands Authorization. The BLM ruled that the application and lands involved met the requirements of regulations governing coal leasing on application (43 CFR 3425).

The BLM Wyoming State Director notified the Governor of Wyoming on October 28, 1998, that JRCC had filed a lease application with BLM for the North Jacobs Ranch LBA Tract. A notice announcing the receipt of the JRCC coal lease application was published in the *Federal Register* on January 22, 1999. Copies were sent to voting and nonvoting members of the PRRCT, including the governors of Wyoming and Montana, the Northern Cheyenne Tribe, the Crow Tribal Council, the USFS, OSM, USFWS, National Park Service, and USGS.

The PRRCT reviewed this lease application at public meetings held on February 23, 1999, in Billings, Montana, October 27, 1999, in Gillette, Wyoming, and October 25, 2000, in Cheyenne, Wyoming. JRCC presented information about their existing mine and pending lease application to the PRRCT at these meetings. At the most recent meeting, the PRRCT recommended that the BLM continue to process the lease application. The major steps in

processing an LBA are shown in Appendix C.

The BLM filed a Notice of Scoping in the *Federal Register* on October 7, 1999. The filing served as notice that the JRCC coal lease application had been received and public comment was requested.

A public scoping meeting was held on October 19, 1999 in Gillette, Wyoming. At the public meeting, JRCC personnel orally presented information about their mine and their need for the coal. The presentation was followed by a question and answer period, during which six oral comments were made. The scoping period extended from October 1 through October 30, 1999, during which time BLM received nine written comments.

The BLM filed a Notice of Intent to Prepare an Environmental Impact Statement in the *Federal Register* on January 19, 2000. This filing also provided additional time for submitting scoping comments. One additional written scoping comment was received during this second scoping period.

Chapter 5.0 provides a list of other federal, state, and local governmental agencies that were consulted in preparation of this EIS (Table 5-1) and the distribution list for this EIS (Table 5-3).

### **Issues and Concerns**

Issues and concerns expressed by the public and government agencies

relating to the JRCC coal lease application and previous coal lease applications included:

- Potential conflicts with existing conventional oil and gas development and existing and proposed CBM development;
- Enlarging the tract to increase the potential for development of a new mine and to avoid potentially bypassing coal;
- Cumulative impacts of mineral development to all other resources;
- Validity and currency of resource data;
- Public access;
- Potential impacts to threatened and endangered species and other species of concern;
- Potential air quality impacts (including cumulative impacts to visibility);
- Potential surface and groundwater quality and quantity impacts;
- Potential impacts of and possible mitigation for nitrogen oxide emissions resulting from blasting of coal and overburden;
- The need to include reasonably foreseeable actions such as the construction and operation of the DM&E railroad in the cumulative analysis;
- The need to address increasing coal production in the Powder River Basin in the cumulative analysis;
- potential impacts on cultural and paleontological resources;
- wetland impacts;
- short- and long-term impacts on fish and wildlife.

### **Draft EIS**

Parties on the distribution list were sent copies of the DEIS, and copies were made available for review at the BLM offices in Casper and Cheyenne. A notice announcing the availability of the DEIS was published in the *Federal Register* by the EPA on December 15, 2000. The BLM published a Notice of Availability/Notice of Public Hearing in the *Federal Register* on December 15, 2000. A 60-day comment period on the DEIS commenced with publication of the EPA Notice of Availability on December 15, 2000 and ended on February 13, 2001. A public hearing was held on January 17, 2001 in Gillette, Wyoming, to solicit public comments on the DEIS and on the fair market value, the maximum economic recovery, and the proposed competitive sale of coal from the LBA tract. BLM received written comments from twelve parties on the DEIS, and four parties commented at the public hearing.

### **Final EIS and Future Involvement**

All comments received on the DEIS are included, with agency responses, in this FEIS. Availability of the FEIS will be published in the *Federal Register* by the BLM and the EPA. After a 30-day availability period, BLM will make a decision to hold or not to hold a competitive lease sale and issue a lease for the federal coal for this tract. A public ROD for the tract will be mailed to parties on the mailing list and others who commented on this LBA during the NEPA process. The public and/or the

applicant can appeal the BLM decision to hold or not to hold a competitive sale and issue a lease for the tract. The BLM decision must be appealed within 30 days after it is signed. The decision can be implemented at that time if no appeal is received. If a competitive lease sale is held, the lease sale will follow the procedures set forth in 43 CFR 3422, 43 CFR 3425, and BLM Handbook H-3420-1 (Competitive Coal Leasing).

**Department of Justice  
Consultation**

After the competitive coal lease sale, but prior to issuance of the lease, the BLM will solicit the opinion of the Department of Justice on whether the planned lease issuance creates a situation inconsistent with federal anti-trust laws. The Department of Justice is allowed 30 days to make this determination. If the Department of Justice has not responded in writing within the 30 days, the BLM can proceed with issuance of the lease.